

STATINTL

## CONGRESS:

## A Matter of Ethics

For years columnist Drew Pearson has sniped at Thomas J. Dodd, the handsome, white-haired Democratic senator from Connecticut. But in recent months Pearson and his sidekick, Jack Anderson, have stepped up the attack. Dodd, in turn, has responded to the drumfire of scandalous charges against him by asking an investigation by the FBI and by the Senate's new ethics committee. By last week it seemed a showdown was inevitable—and that out of it might come the hottest front-page sensation on the Hill since the Bobby Baker case. *Newsweek's* chief Congressional correspondent Samuel Shaffer reports the story:

Involved in the simmering controversy are the reputation and career of Tom Dodd, a two-term senator, former FBI agent, executive U.S. trial counsel at Nuremberg, good friend of J. Edgar Hoover and perhaps the closest friend LBJ has in the Congress. Involved, too, is the possible criminal prosecution of Anderson and Pearson, who have won some battles with the high and mighty.

A central personality in the conflict is flamboyant Washington lobbyist Maj. Gen. Julius Klein (retired), whose clients include West Germany—and who, Hubert H. Humphrey said in 1962, has "more friends in the Senate and the House . . . than any man I know." A collateral issue is whether the new ethics committee, headed by Mississippi's judicious Sen. John Stennis, can effectively deal with allegations made against a senator. Finally, seasoning this complex

brew is that Washington might be a place where scandals—a Persian rug.

Pearson and Anderson made the rug an issue in the first of their recent spate of attacks on Dodd and his relationship with Julius Klein. The senator, they charged, had used his position as a member of the Foreign Relations Committee "to help Klein hang onto his clients" after the committee had publicly explored his lobbying operations in its 1963 inquiry on registered foreign agents. "In return," Anderson wrote, "Dodd has accepted expensive gifts from the West German agent (a Persian rug for the Dodd home, for example)." The rug, it turned out, was a tiny (9- by 12-inch) Bavarian cotton imitation. Price: \$3. Apparently the columnists had been misled by a note on a Christmas card from the Kleins to the Dodds. "Your favorite flower vase may like to rest on this genuine Persian rug," it said.

But how had a personal Christmas card fallen into the columnists' hands?

Dodd charged that there had been a "massive theft" of letters and documents from his office files by disgruntled employees, and it was this, as well as the conflict-of-interest allegations, that he asked the FBI and Stennis's committee to look into. Certainly the Pearson-Anderson columns seemed to be based on nearly total access to Dodd's private correspondence. They quoted from two letters, for instance, in which Klein

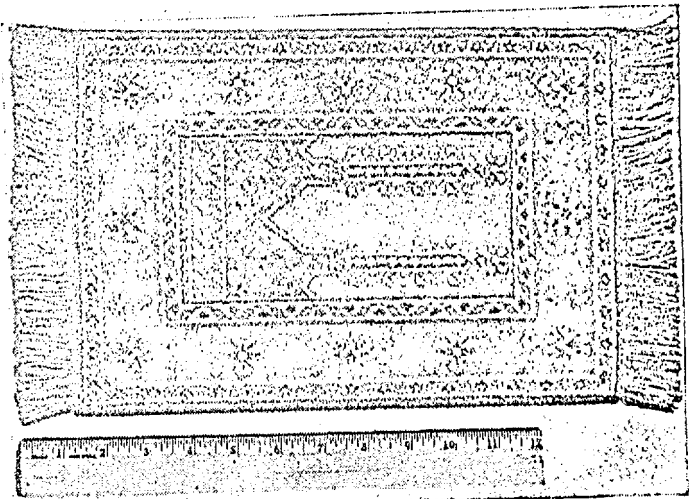
had prepared in praise of Konrad Adenauer. What they failed to add was that the Connecticut senator never actually delivered the speeches.

**Failed to Report?** Just last month the columnists said Dodd had failed to report \$60,000 raised as campaign contributions. Dodd said the money, raised at a 1961 testimonial dinner, was not to finance the 1964 campaign but to pay campaign debts left over from 1958 and as such was not reportable.

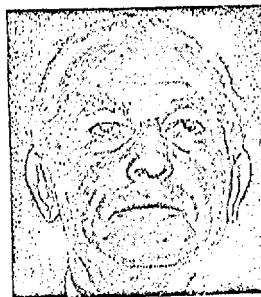
In the same March column discussing Dodd's 1961 income-tax returns the columnists said "the largest legal fee came from Jimmy Hoffa's Teamsters union, which paid Dodd a whopping \$50,000." Dodd's explanation: the fee resulted from a 1957 case (before he entered Congress) when he represented dissident Teamsters fighting to put Hoffa out of power; the Federal judge later ordered Hoffa to pay the lawyers' fee for the dissidents.

As the storm continued to gather last week, a dozen FBI agents were swarming over Capitol Hill gathering evidence of the charges and countercharges. A close friend of Dodd's summed up the situation this way:

"Tom Dodd and Drew Pearson are on a collision course. It's difficult to arrive at any other conclusion but that one or the other must be gravely injured or even destroyed at the outcome."



A small rug has grown into a big issue



Cast of the controversy: Dodd, Klein, Pearson